and definite view from the State Government, I am prepared to take a decision, whatever it may be. But if I do not get a definite view of the State Government, well, I am helpless. If the State Government wants to avoid the question and wants to pass on the baby to the Central Government, I think it is unfair and we are not prepared to take the responsibility of the baby. As I said, I am prepared to act as a doctor for delivering the baby, but the responsibiity of the baby must be taken by the State Government.
(Interruptions).

SHRI GOPAL SINH SOLANKI: The question is about the introduction of High Court Bench. But I would like to ask the question through you, Sir, how many posts particularly are vacant in all the High Courts and whether the Government is going to adjust these from the original strength of the original High Courts or would create new posts?

SHRI DINESH GOSWAMI: Sir, the question relates to specific number of vacancies. I will require notice about this question. But at some point of time I may be keen to inform the House about this position. But at the present moment the figures are not available with me.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Let us have half-an-hour discussion on this.

SHRI DINESH GOSWAMI: I do not mind.

SHRI N. K. P. SALVE: Sir, in view of the fact that over 2 lakh tax matters are pending in different High Courts by way of reference, by way of appeal and by way of writ matters, the erstwhile Finance Minister and the present Prime Minister had promised that he would establish a National Court of Direct and Indirect Taxes. The States are passing on the buck to him outside the House and he is passing on the buck to the States in the House. Now here is something for which the responsibility rests with the Central Government. Persistently they have said that they would establish...

MR. CHAIRMAN: This is about Benches of the High Court,....

SHRI N K. P. SALVE: If you wait, the next sentence was: the National Court of Direct and Indirect Taxes to direct the High Courts and Supreme Court about the jurisdiction on tax matters...

MR. CHAIRMAN: This is about Benches of High Court. That will not be a Bench of the High Court Isn't it?

SHRI N K. P. SALVE: Sir, Let me complete my question. If you let him escape.... ..

MR. CHAIRMAN: Put a supplementary question, not...

SHRI N. K. P. SALVE: I will put it in another way. In view of the fact that High Courts are unable to deal with or cope up with two lakhs tax cases which are pending, when is the Government going to take up the establishment of a National Court of Direct and Indirect Taxes?

MR. CHAIRMAN: The question is about the Benches of High Courts Question No. 224.

Reappraisal of Asian Developmen Bank's lending strategy to India

*224. SHRI MAHENDRA PRASAD:
SHRI MURLIDHAR CHANDRAKANT BHANDARE:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Asain Development Bank is presently making a major reapraisal of its lending strategy to India; and

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*The question was actually asked on the floor of the House by Shri Murlidhar Chandrakant Bhandare.

(b) if so, what are the reasons therefor?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): (a) No, Sir.

(b) Does **not** arise.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Sir, the result of this 23rd Annual General Meet of the Asian Development Bank was a foregone conclusion. We have the glaring facts that the *per capita* income of a U.S. resident is 60 times annually that of the *per capita* income an average Indian. An average American consumes 50 times more food every year and everyday for that matter than an average Indian. Therefore, it is not surprising that this Meet has not made any headway at all. There is one question which I want to ask first and then I will ask my supplementary. I want to know whether it is a fact that this stalemate was because of this club of the rich nations no longer being interested in Asia and giving priority now only to Europe.

PROF. MADHU DANDAVATE: Sir, the hon. Member puts one question in writing and asks something else orally. Since you have allowed that question, I will reply.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: I want to know whether their lending strategy has weakened because of their preference in favour of Europe. It directly arises out of my question.

PROF. MADHU DANDAVATE: The main question was whether there is a move to have a reappraisal of their lending strategy towards India. As far as the Asian Development Bank is concerned, actually they have prepared a new document which is of course, for internal consumption. That document is entitled "Operational Strategy in India—1990". That document very clearly says that their lending policy will continue to be the same and they have reiterated what were the earlier guidelines and how they will be continued in the future in the same areas. It is the same in regard to infrastructural facilities, credit facilities, modernisation and various projects.

In the context of the situation arising out of the new Conference which was held recently, you have asked the question and I will definitely reply to that. It is a fact that as far as developing countries are concerned and the developed countries are concerned, there are certain condicts of interest between the two. But at all forums where the representatives of the developing countries are present we have to see that we do not yield to pressures that are exercised by the developed countries. It may be the forum of IMF or it may be the forum of Asian Development Bank. Even in the Asian Development Bank, there are 49 members out of which 34 are full-fledged members which are from the developing countries and there are 15 donor countries. Since they have got a greater contribution to the capital formation, sometimes they try to take a posture which is not very much in the interest of the developing countries. I can assure the hon. Member that whatever by their postures and whatever by their intentions, our Government will try its best to see that not only India's interests but the financial and economic interests of the developing countries, especially of the Third World, are safeguarded.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Sir, I have full faith in the hon. Finance Minister that he will not let down the Third World countries on this very basic and fundamental issue. May I continue, Sir, with my supplementary which arises out of the first one? Why is it that the size of the ADF's 6th quota was not fixed? Is it because India and China are staking a share to that quota?

PROF. MADHU DANDAVATE: Sir, it is a fact that as far as the developed countries are concerned, they feel that if the quota is increased, they will be required to put in more as the donor countries. To give a concrete instance in the light of my answer, whereas the present quota of the Asian Development Fund is 3 billion dollars, the proposal made by the developing countries was that it should be increased to 10 billion dollars. And precisely because of this that the United States of America and the other developed countries felt that this particular contribution which is sought is far more than what they can contribute and, therefore, they have said that they will postpone the issue and that the Board should take a final decision. And, therefore, the contention of the hon. Member is correct that though there is some resistance from their side, we will try our best that the quota will be increased.

SHRI A. G. KULKARNI: Sir, the hon. Finance Minister has just now said that India and China are the two large-sized developing countries who are aspiring for a larger share from the Asian Development Bank. I am not aware whether the European countries also apply to the Asian Development Bank. They do not. That is my view. So, Sir, the Asian Development Bank is being approached by China and India. In view of the desire of the Finance Minister that he will try to get the contribution increased by the developed countries to this Asian Development Bank, I want to know from the hon. Minister as to what his assessment is or what the indications are about this because as we find whether in the IMF or in the ADB, the developed countries are insisting to contribute funds on their own terms, particularly the economic suzerainty of these countries.

PROF. MADHU DANDAVATE: Sir, he is right that as far as borrowers are concerned, there are 8 borrowers, all from the Asia Pacific Region—India, Indonesia, Korea, Pakistan, Philippines, Bangladesh, Thailand and Malaysia. These are the nations which actually borrow. And it is also a fact that as far as India is concerned, so far we have been demanding the credit facilities only from ordinary capital resources of the Asian Development Bank, and not from the Asian Development Fund. And that is for the simple reason that so far we were mainly borrowing from International Development Association. But originally we were allowed 40 per cent quota. That has been reduced to 15 per cent. And, therefore, this time we have decided to borrow even from the Asian Development Fund of the Asian Development Bank. And I will incidentally mention that because of the pressure of the Asia's developing countries, we have succeeded so far to get the following credit facilities; These are the commitments by 31st December, 1989. India—16.44 million dollars; Indonesia—52.19 million dollars; Korea—23.19 million dollars; Pakistan—23.52 million dollars; Philippines—29.67 million dollars; Bangladesh—11.40 million dollars; Thailand —18.31 million dollars; Malaysia—15.29 million dollars. It will be our constant endeavour to see that by uniting together and having a common pressure of the developing countries we will try to get the necessary economic assistance from the Asian Development Bank.

SHRI YASHWANT SINHA: Sir, the American representative who came to attend the meeting of the Asian Development Bank took a certain position on behalf of his Government. We are also aware of the fact that when our Finance Minister was in Washington recently to attend the meetings of the Fund and the Bank, the developed countries had taken a decision regard to amending the byelaws of the International Monetary Fund and the World Bank in order to be able to panalise the countries which they consider to be defaulters. There are also reports which have appeared in the newspapers that the Paris Club meeting the donors' club meeting.

MR. CHAIRMAN: Put your supplementary.

SHRI YASHWANT SINHA: I am putting it in a proper frame so that the Finance Minister has no difficulty in answering the question.

MR. CHAIRMAN: He remembers everything.

SHRI YASHWANT SINHA: In the Paris Club meeting of the donor countries, there is not likely to be any increase in the commitment which they will make. It is, in fact, likely to decrease. I am just saying this in order to emphasise that there is, perhaps, a nexus in regard to the position which has been taken in all these different for by the developed countries, specially by the U.S.A. This is one thing.

The other is that we are in a very very difficult balance of payments position of which the Finance Minister is aware.

My specific question to him, therefore, is: In the light of this and in the light of the announcement made by the Prime Minister that we are not going to borrow from the I.M.F., large sums of money, what does the Government of India propose to do to meet this onslaught, this challenge, which is being thrown repeatedly at our face by the developed countries, specially by the U.S.A.?

PROF. MADHU DANDAVATE: Sir, the hon. Member is very correct in his interpretation of the intentions of the developed countries, particularly, the U.S.A. It is good that he referred to the recent I.M.F. meeting.

The proceedings of the I.M.F. meeting and the pressure whicht the developed countries are exerting have clearly demonstrated certain things. Firstly, in regard to our demand for increase in quota initially, America was prepared to increase the quota only by 30 per cent. Ultimately, due to the pressure of all, it was increased to 50 per cent. Then, secondly, we wanted that the arrears of the developing countries should be shared by the developed countries and the developing countries. We suggested that the burden should be taken more by the developed countries and less by the developing countries. Initially, the U.S.A. was prepared for sharing the burden in the ratio of 1 : 1 only. Then, they were willing to accept the ratio of 2 : 1. Ultimately, because of our solidarity, we were able to get the ratio increased to 3 : 1; i.e., the arrears will be shared by the developed countries and the developing countries in the ratio of 3 : 1. Thirdly, they wanted the review period to be extended beyond five years. But due to the common pressure by all, ultimately, they agreed to 'five years'. As a result of these concessions, I must admit that the other developing countries, excepting India, China and Algeria, took a different stand in regard to the demand that if the arrears of some countries remain in perpetuity, there should be a right to the I.M.F., to suspend the countries concerned from the membership of the I.M.F. We opposed this demand. However, other developing countries took a different attitude on the ground that the arrears were going to be shared by the developed and developing countries in the ratio of 3 : 1 and, therefore, we must accept. Therefore, they accepted. But we recorded our objection; India, China and Algeria. We three recorded our opposition in the communique. But we got all our demands accepted them.

Therefore, he is very much right that in all the fora, certain developed countries, particularly, the U.S.A., are trying to exert pressure. The only antidote to this is—whether it is in regard to the I.M.F., or, in regard to the Asian Development Bank—the solidarity of all the developing countries by which we will try to resist all the conspiracy and all their attempts to suppress us.

SHRI JAGESH DESAI: Sir, I am very happy over the reply given by the hon. Minister.

MR. CHAIRMAN: Very good.

SHRI JAGESH DESAI: As has been pointed out by Mr. Yashwant Sinha, in all the fora...

MR. CHAIRMAN: Put your supplementary.

SHRI JAGESH DESAI: I am putting the question. They want to pressuries India into changing her economic policies . In the case of the Asian Development Bank also...

MR. CHAIRMAN: Put your question please.

SHRI JAGESH DESAI: The A.D.B. wants to give loans only to the private sector and not to the public sector. We need to strengthen our public sector for the infrastructural development of the country. But they want to give loans only to the private sector. I would like to know whether this aspect was brought to their notice and, if so, what was the outcome.

PROF. MADHU DANDAVATE: Sir, his suspicion might be true, but his information is wrong. And I will read out from what they have decided and which are the projects.

MR. CHAIRMAN: I hope, it is not a long one. If it is a short one, then read it; otherwise you lay it on the Table.

PROF. MADHU DANDAVATE: Within half a minute, I will give.

"This new strategy has laid emphasis upon continuing the ADB lending in all the areas identified earlier". And the identified areas are—agriculture and social infrastructure sectors for concessional lending. And in that, they have taken—improvement of infrastructural facilities, modernisation of railways, modernisation of public sector. And if you want, I will give the break-up. Out of the total cumulative lending of 17.47 million dollars upto 30-4-1990, 12.39 per cent has been for ports development, 20.02 per cent for industries and to lines of credit to develop financial institutions like the ICCI, IDBI, IFCI, 10.8 per cent for railway modernisation projects and 11.3 per cent for road improvement projects and 14.4 per cent for tele-communication sector.

Now it is clear that we are not creating a craze for private sector, but essentially for the public sector.

MR. CHAIRMAN: Question No. 225. Question No. 226. Prof. Thakur. Are you asking your question or not?

PROF. CHANDRESH P. THAKUR: Yes, Sir, I am asking.

* 225. [*The Questioner (Shri Ashok Nath Verma) was absent for answer vide col. infra*]

Development of Tourist infrastructure in Bihar and Gujarat

226. SHRI RAJUBHAI A. PARMAR:

PROF. CHANDRESH P. THAKUR:

Will the Minister of TOURISM be pleased to state:

(a) what are the plans for the development of tourist infrastructure in Bihar and Gujarat during the first year of the Eighth Five Year Plan;

(b) what is the backlog of unimplemented Tourism Development Schemes of Buddhist interest of the Seventh Five Year Plan and what is the total unspent amount under that Head; and

(c) what steps, if any, are being taken to expedite their implementation?

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*The question was actually asked on the floor of the House by prof. Chandresh P. Thakur.